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Programme budget for the biennium 2018–2019

Standards of accommodation for air travel

Forty-fifth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2018–2019

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on standards of accommodation for air travel (A/72/716). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses dated 12 February 2018.

2. The report of the Secretary-General is submitted pursuant to General Assembly resolution 71/272 B, in which the Assembly requested the Secretary-General to submit a comprehensive report on standards of accommodation for air travel for its consideration at the first part of its resumed seventy-second session. The Secretary-General provides an interim update on air travel activities for the period from July 2016 to June 2017 as available from the Umoja travel module, and presents his proposals on the existing travel policy of the Secretariat. **The Advisory Committee is of the view that the report of the Secretary-General does not constitute a comprehensive report as requested by the Assembly.**

II. Information on air travel activities

3. In his report, the Secretary-General provides information on travel volume and costs by travel category and standard of accommodation for the period from July 2016 to June 2017, based on data from the Umoja travel module that had been extracted through the business intelligence module. With respect to the advance purchase policy, the Secretary-General indicates that overall performance for the period was 31 per cent, with the human resources travel category reflecting a compliance rate of 26 per cent (ibid., para. 8 and tables 1–4). The Advisory Committee was provided upon enquiry with the table below, showing updated figures for the last quarter of 2017 on compliance with the advance purchase policy.

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Table 1
Advance purchase policy performance, by travel category

Travel category	*Number of trips*	*Performance (percentage)*	*Average time (in days)*[a]			
			Submission	*Human resources partner*	*Travel and shipment approver*	*Travel-processing office*
Official travel	32 198	32	16.1	N/A	1.9	1.2
Entitlement travel	495	43	39.9	6.7	2.3	3.3
Human resources travel	1 382	33	21.1	3.8	1.2	2.7
Uniformed personnel travel	368	6	14.9	N/A	0.8	3.2
Total (weighted average)	**34 443**	**32**	**16.6**	**N/A**	**1.9**	**1.3**

Abbreviation: N/A, not applicable.

[a] All average times presented in the overall "total" row are weighted in consideration of the relative number of trips in each travel category. Weighted averages are used to account for the large variance in the travel volumes associated with each travel category and the difference in workflow steps for entitlement and human resources travel (i.e., the inclusion of a human resources partner approval step).

4. **The Advisory Committee recalls that it previously noted the low compliance rate with the advance purchase policy directive and encouraged stronger efforts in this regard. The Committee notes that the compliance rate remains low, and reiterates that stronger efforts are required across all travel categories, in particular in the human resources and entitlement travel categories, as most of these types of travel can be better planned by the respective offices for improved compliance. The Committee also reiterates its recommendation that future reports include a detailed explanation by travel category, particularly where there is a continued pattern of low rates of compliance with the advance purchase policy directive (see A/71/822, para. 18).**

5. Regarding the use of alternative methods of communication, the report states that the use of alternative methods has increased significantly over the past five years: the use of videoconferences has more than tripled, and the use of WebEx meetings has increased more than fivefold (see A/72/716, para. 27). Upon enquiry as to the correlation with air travel, the Advisory Committee was informed that, while the general decline in annual air travel expenditure appeared to parallel the increased use of alternative methods, a direct correlation could not be determined, as data were not collected when alternative means of meeting were employed in lieu of travel. **The Committee encourages the Secretary-General to collect data on the use of videoconferences and alternative methods in lieu of travel, and to reflect the data in future reports.**

6. The Advisory Committee was also provided upon enquiry with information on annual air travel expenditure from 2012 to 2016 at United Nations Headquarters, as reflected in the table below, together with information from tables 5 and 6 of the report of the Secretary-General.

Table 2
Use of alternative methods of communication and air ticket volume and expenditure, by year
(Number of meetings/tickets; thousands of United States dollars)

	2012	*2013*	*2014*	*2015*	*2016*	*Total*
Use of videoconferencing[a]	1 318	2 507	4 963	4 219	4 645	17 652
Use of alternative methods for meetings[b]	1 773	2 659	3 019	6 011	9 485	22 947
Air tickets procured	16 212	16 283	16 988	18 105	19 724	87 312
Air travel expenditure	48 525	45 865	43 467	42 132	44 282[c]	224 271
Payments to travel agency	2 018	1 978	1 959	2 032	1 835	9 823

[a] Representing an overview of the number of videoconferences organized by the Broadcast and Conference Support Section at Headquarters over the past five years (see A/72/716, para. 25).
[b] Representing an overview of the number of meetings held using un.webex.com and Unite Communications at Headquarters and offices away from Headquarters over the past five years (ibid., para. 26).
[c] The Advisory Committee was informed upon enquiry that the increase in 2016 was attributed primarily to the temporary travel agency support provided by Headquarters to the United Nations Stabilization Mission in Haiti, without which expenditure in 2016 would be at a level similar to that in 2015.

The Committee notes from the table above that, while air travel expenditure showed a general decrease during the five-year period (observing that the increase in 2016 relates to temporary support provided to the United Nations Stabilization Mission in Haiti), the number of air tickets procured reflects a continuous increase during the same period.

7. **The Advisory Committee reiterates that resources for official travel should be utilized judiciously in the interest of the Organization and that before official travel is authorized as a means to implement mandated activities, full account of its cost-effectiveness and the impact on productivity resulting from prolonged absences from the office while travelling should be taken into account to determine whether other means of representation and methods of communication can be utilized instead. The Committee also emphasizes that the primary consideration in authorizing official travel should be whether direct face-to-face contact is necessary for mandate implementation. In this regard, the Committee encourages strengthened efforts to increase the use of videoconferences and alternative methods of communication in lieu of travel. Furthermore, the Committee reiterates that consideration should be given to whether trips should be combined or undertaken with fewer travellers (see A/71/822, para. 3, and A/72/7, para. VIII.48).**

8. **The Advisory Committee also recalls its view that, considering the frequent official travel undertaken by personnel at the level of Assistant Secretary-General and above, any frequent-flyer miles gained by these personnel as a result of conducting official business on behalf of the Organization should be used for official travel. In line with its previous recommendation, the Committee recommends that the General Assembly request the Secretary-General to implement such a programme with respect to official travel undertaken by personnel at the level of Assistant Secretary-General and above, beginning no later than January 2019, and to report back to the Assembly on the results of implementation at the first part of its resumed seventy-fourth session. Furthermore, the Committee recalls that it previously encouraged the Secretary-General to explore further negotiated discount agreements with airlines for higher discounts in lieu of frequent-flyer miles (see A/71/822, paras. 13 and 15).**

III. Proposals of the Secretary-General

Determination of the standard of accommodation

9. In its resolution 67/254 A, the General Assembly decided that, for official travellers below the level of Assistant Secretary-General, the standard of accommodation for air travel would be business class if a single-leg journey was 9 hours or more and would be business class for a multi-leg journey if the combined travel time of the journey was 11 hours or more, including a maximum of 2 hours of connection time, provided that the journey to the next destination resumed within 12 hours. The Assembly also requested the Secretary-General to modify his administrative instructions on standards of accommodation for air travel so that the duration of a journey would be determined based on the most economical route available, provided that the total additional time of the whole journey did not exceed the most direct route by four hours.

10. In his report, the Secretary-General states that the current travel policy requires the travel unit and/or travel agency to manually factor many elements into the calculation, with the result that the determination of the standard of accommodation and the most economical option is very labour-intensive and creates operational implementation challenges, including the inability to further automate the process, as these elements of the travel policy are not supported by airline ticketing systems or online booking tools (see A/72/716, paras. 32–35). Accordingly, the Secretary-General proposes simplifying the determination of the standards of accommodation by replacing the current, dual-threshold model with a single-threshold, total-travel-time model, which would provide that travellers with a total travel time below the single threshold (direct or indirect flights) would travel in economy class, while those with a total travel time above the single threshold (direct or indirect flights) would travel in business class. Total travel time would consist of actual flight time and actual stopover time (without the maximum two-hour connection time specified in the current policy) (ibid., paras. 49–52).

11. **The Advisory Committee notes that the Secretary-General does not propose a specific single threshold in his report. The Committee considers that the report should have included data regarding specific options for the single-threshold total-travel-time model for the General Assembly's consideration. In the absence of such data, the Committee is not in a position to analyse the proposed model. The Committee is therefore of the view that the Secretary-General has not made a case for amending the current standard of accommodation for air travel as decided by the General Assembly in resolution 67/254 A, and recommends against the proposal of the Secretary-General. The Committee expects that the Secretary-General will continue to monitor developments in the air travel industry, including on premium economy-class travel and enhanced economy-class travel where available.**

12. **In the context of the standard of accommodation for air travel, the Advisory Committee recalls its view that the nature of the work of the experts under the sanctions monitoring teams, groups and panels is distinct from that performed under other consultancy contracts, and reiterates its recommendation that the General Assembly affirm their entitlement to the same standard of accommodation as staff members of the Secretariat (see A/68/7/Add.10, para. 100, and A/71/822, para. 7).**

Lump-sum option

13. In its resolution 67/254 A, the General Assembly decided that the Secretary-General should, as an interim measure pending the outcome of the review to be

concluded in 2015, revise the provision for determining the travel-related lump-sum payment to 70 per cent of the least restrictive economy-class fare, and requested the Secretary-General to include, in his report on the standards of accommodation of air travel to be submitted to the General Assembly at its sixty-ninth session, an analysis of the impact of the implementation of that provision and to make further proposals on modifying the lump-sum scheme.

14. In his report, the Secretary-General states that the rate of acceptance of the lump-sum payment option has decreased from the previously reported 93 per cent to 74 per cent since the implementation of the interim measure, with the remaining 26 per cent of staff opting for the provision of tickets and related benefits, which is a costlier option for the Organization (see A/72/716, para. 57). Upon enquiry, the Advisory Committee was provided with the table below showing the acceptance rates of the lump-sum option for 2016 and 2017, at 72.5 per cent and 75.7 per cent, respectively.

Table 3
Lump-sum option versus ticket option

	2016		*2017*		*2-year average*
	Number of travel requests	*Percentage*	*Number of travel requests*	*Percentage*	*Percentage*
Lump sum	4 806	72.5	3 898	75.7	74
United Nations-purchased ticket	1 824	27.5	1 253	24.3	26
Total	**6 630**	**100**	**5 151**	**100**	**100**

15. The Secretary-General also states that the decrease in acceptance rates from the previously reported 93 per cent is attributable to two factors: the reduction from the previous 75 per cent to 70 per cent of the least restrictive economy-class fare, and the removal of compensation for travel days. The Secretary-General therefore proposes that the interim measure be terminated pending the final analysis and proposals on modifying the lump-sum scheme to be submitted to the General Assembly at the first part of its resumed seventy-third session (ibid., paras. 58–60).

16. **The Advisory Committee notes the data showing a decrease in acceptance rates of the lump-sum option, and also notes that the ticket option entails additional administrative costs for the Organization. Taking this into consideration, the Committee recommends the approval of the proposal to end the interim measure, in order that the determination of the travel-related lump-sum payment would revert to 75 per cent of the least restrictive economy-class fare, pending the upcoming proposals on modifying the lump-sum scheme to be submitted to the General Assembly at the first part of its resumed seventy-third session.**

17. **In this context, the Advisory Committee, in line with its previous recommendation, also recommends that the General Assembly request the Secretary-General to take the steps necessary to implement a pilot scheme over a 12-month period, under which all staff would be required to use the lump-sum option for home leave, family visit or education grant travel, and to report back to the Assembly on the results of implementation at the first part of its resumed seventy-fourth session (see A/71/822, para. 21).**

Policy allowing for the first-class travel of Assistant Secretaries-General and Under-Secretaries-General when they represent the Secretary-General

18. In paragraph 61 of his report, the Secretary-General states that under the current travel policy, Under-Secretaries-General and Assistant Secretaries-General designated to represent the Secretary-General on ceremonial occasions or to undertake missions in the exercise of the good offices of the Secretary-General under the Charter of the United Nations or resolutions of the General Assembly or the Security Council may, with the Secretary-General's approval, be provided with first-class travel accommodation, irrespective of the duration of the flight involved. The Secretary-General proposes that, when Under-Secretaries-General or Assistant Secretaries-General undertake official travel to represent the Secretary-General, the standard of accommodation utilized be the standard applicable to Under-Secretaries-General or Assistant Secretaries-General (the class immediately below first class) without any exception.

19. **The Advisory Committee recalls that it previously expressed the view that when Under-Secretaries-General or Assistant Secretaries-General undertake official travel to represent the Secretary-General, the standard of accommodation utilized should be the standard applicable to Under-Secretaries-General or Assistant Secretaries-General (ibid., para. 10). The Committee therefore recommends the approval of the Secretary-General's proposal.**

20. **The Advisory Committee also reiterates its recommendation that the General Assembly review the Organization's policy on entitlements to first-class travel, considering the developments in the air travel industry, notably that business class is now functionally equivalent to yesterday's first class, and that first-class sections have been eliminated by many airlines (ibid., para. 9).**